

WOONSOCKET WATER- SUMMARY OF ISSUES FOR STEP TWO

Issue	Settlement Agreement (Sch 12)	WWD Filing (Sch.1)	DPUC -Morgan Memo (p.3)	WWD Rebuttal (Sch.1)
Percent increase at Step 2	5.39%	6.53%	5.25%	6.53%
New Debt Reserve Funding	\$170,000	\$170,000	\$170,000	\$170,000
Treatment Plant Op Contract	\$52,407	\$59,992	\$59,992	\$59,992 <sup>1</sup>
Remove One Time Chem Credit	\$145,717	\$145,717	\$145,717	\$145,717
Light & Power Increase	-	(19,552)	(19,552)	(19,552) <sup>2</sup>
Property & Fire Tax Increase	\$1,998	\$1,998	\$1,998	\$1,998
Inflation Labor @ 2%	\$22,049	\$22,049	\$22,049	\$75,706 <sup>3</sup>
Inflation Non-Labor @2.5%	\$34,797	\$34,797	\$34,797	\$34,797
Rate Case Expense for Step	\$16,000	\$16,000	\$16,000	\$16,000
Plant Master Maint. Mechanic	-0-	\$50,283	-0-	\$50,283 <sup>4</sup>
Extra FICA & Pension	-0-	\$9,981	-0-	-0 <sup>5</sup>
To hold rebut at same level as direct	-0-	-0-	-0-	(3,770)
Adjustment for change in water sales	-0-	\$46,243	-0-	\$6,337 <sup>6</sup>
Operating Reserve Increase 1.5%	\$3,854	\$3,854	\$3,915	\$3,854
<b>TOTAL</b>	<b>\$446,822</b>	<b>\$541,362</b>	<b>\$434,916</b>	<b>\$541,362</b>

<sup>1</sup> See DGB Sch 1 (a) attached to Direct Test. in original filing. (Covers two rate years. Change from S.A., but not a contested issue.); Also see Div. 6-2.

<sup>2</sup> Change from S.A., but not a contested issue; Div. 6-3.

<sup>3</sup> **NOTE:** WWD changed this figure between filing and rebuttal- from: \$22,049 to \$75,706, to reflect actual increase. 2% was used as placeholder when increase ended up at 7.6%. See Bebyn Rebuttal test at 3, lines 11-19. Rebuttal was filed on 5/22. **DPUC has not had opportunity to respond to this late change.** Div 6-8.

<sup>4</sup> See Bebyn Direct Test at 2, stating that position should not have been eliminated; Bebyn Sch 1 (a) of Direct Test.; Morgan memo at 3 opposing; Div 6-6

<sup>5</sup> See Bebyn Direct Test at 2, stating that position should not have been eliminated; Bebyn Sch 1 (a) of Direct Test.; Morgan memo at 3 opposing; Div 6-7

<sup>6</sup> See Bebyn Direct Test at p. 3 describing shortfall of \$174,053 in sales, but proposing adjustment based on 4 year average; See DIV 6-5 and Div. 6-9;

Bebyn Rebuttal Testimony at p.2 – lines 20-26, describing mistake of failing to include wholesale sales to Cumberland. Adjustment reduced from \$46,243 to \$6,337; DPUC Memo at 3- opinion- should not be deviating from Settlement Agreement.